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SPECIAL REPORT

SHASTRI'S FIRST YEAR AS INDIA'S PRIME MINISTER

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SHASTRI'S FIRST YEAR AS INDIA'S PRIME MINISTER

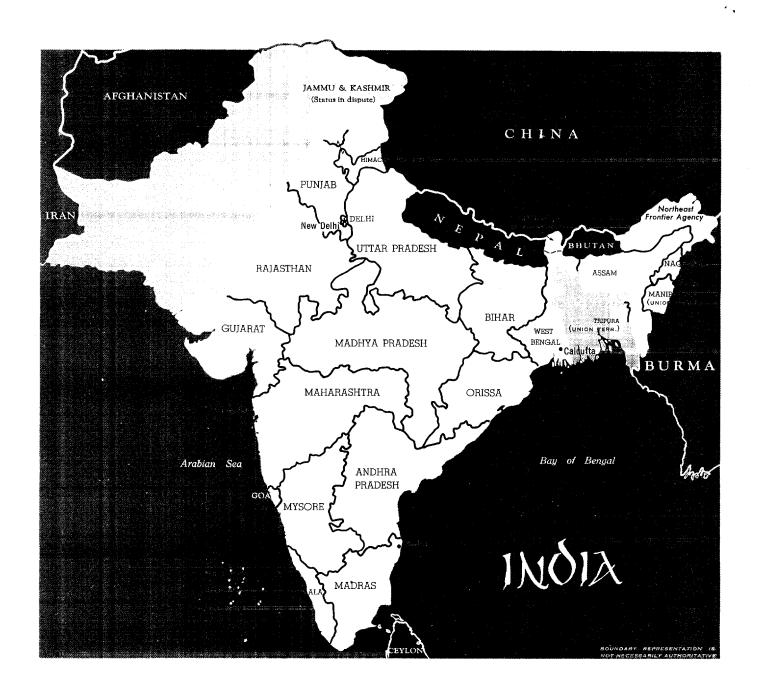
A year after Nehru's fatal stroke, the style of the Indian Government and the ruling Congress Party has changed rather markedly. Most striking is the transformation of the office of the prime minister, which used to embody Nehru's imperious, cosmopolitan personality but now reflects the colorless, homespun, consensus-minded character of his successor as leader of 470 million Indians, Lal Bahadur Shastri. Despite moments when it seemed that Shastri might be overwhelmed by the demands and complexities of the office, his position now is at least as strong and possibly a bit stronger than when the party caucus assembled by Congress Party president Kamaraj chose him to be prime minister last June. Yet in the absence of Nehru's commanding personality, the tempo of crises growing out of India's perennial problems -- popula tion growth, unemployment, underdevelopment, and disunity -- has seemed to quicken.

Nehru's Legacy

The smoothness of the transfer of power during the past year owes much to Nehru's legacy. He left a strong and functioning central government dedicated to popular suffrage, the rule of law, civil supremacy, and the British parliamentary format. He also left a commitment to a secular and to a socialist pattern of society, a system of five-year development plans together with schemes for local self-government and initiative aimed at achieving these ends, and a nonaligned foreign policy intended to allow India to accomplish its urgent domestic labors without the distractions which, he felt, formal ties with one or the other of the world power blocs would bring.

The Nehru legacy was not unalloyed, however. Nehru had done his basic economic and social thinking decades earlier, and he seemed in his later years to be increasingly incapable of adjusting to new situations. His dedication to industrialization slighted progress in the agricultural field, and his preoccupation with grandiose development plans often clouded his vision on more concrete matters of implementation. He was notorious for avoiding difficult decisions but insisted nonetheless on being at the heart of the decision-making process on all matters, large or small.

He prized stability in difficult local situations like the Punjab and Kashmir, while



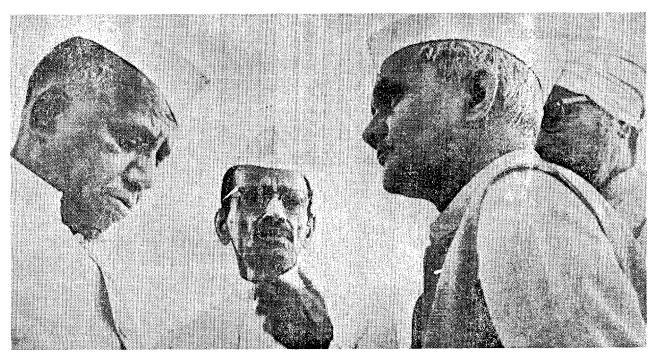
frequently closing his eyes to the rank corruption and bullying which made that stability possible. At the same time. he prevented the development of strong leaders at the national level out of exaggerated concern for potential rivals. Most damning of all, especially to the group which has succeeded him, he avoided use of the consultative aspects of the political processes he had himself created, preferring to rule through the unchallenged strength of his personal prestige rather than indulge in the give-andtake of democratic politics.

Crises For Shastri

Thus most of the difficulties Shastri has faced were Nehru's birds coming home to roost after their warden had left the job.

The biggest and most prolonged of these was the foodprice crisis. This was well under way as Shastri assumed the reins of power and became progressively worse through last summer and fall. Although weather and a defense-oriented increase in the supply of money played a big part, the main ingredient appears to have been the Nehru government's failure to come to grips with the basic problems of faltering agricultural production during the two years previous and prolonged mismanagement both of economic planning and food distribution.

Good harvests during the last six months, coupled with increased imports of foodgrains and stopgap measures to improve distribution, have brought considerable relief on the food front. Prices remain relatively



Shastri huddles (left to right) with Defense Minister Chavan, Home Minister Nanda, and External Affairs Minister Swaran Singh during the recent Rann of Kutch crisis.

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high, however, and many of the basic flaws growing out of the Nehru legacy remain to be remedied.

Another major crisis which the Shastri government weathered only with considerable difficulty was the controversy over the spread of the Hindi language. The vagueness of Nehru's promises aimed at protecting regional languages and the people who speak them contributed mightily to Shastri's problem. The language controversy hurt nearly everyone in a position of power, including both Shastri and Congress Party president Kamaraj.

India's touchy relations with Pakistan, most recently brought to the edge of war over the Rann of Kutch dispute, had been aggravated by Nehru's implacable hostility to Pakistan's existence and his obduracy on the question of a settlement of the long-festering Kashmir problem. Relations with Pakistan are now more bitter and more volatile than at any time since 1947, and there are few indicators of any improvement in the near future.

In some areas where Nehru's success was considerable, his heirs have encountered new difficulties. No one in India today enjoys the status Nehru had; Shastri's promises lack Nehru's ring of authority and thus serve less well to reassure the nation during difficult times. This is especially evident on the emotion-charged issues which will for many years threaten the viability of the Indian Union, i.e., Hindu-Muslim rela-

tions, the north-south rivalry, and questions of language. Nehru's successors find themselves under great pressure to produce deeds where Nehru was often able to get by with words, a point to which Kamaraj alluded even before Nehru's funeral pyre had cooled.

Shastri's Style

What then is the style that Shastri has brought to Indian politics? It has been characterized by many critics and some sympathizers as weak. devoid of leadership as that word is commonly understood, and hobbled by indecision. main ingredients are a plodding slowness, a propensity to "muddle through," a subtle reversal of the 17-year trend to consolidate power at the center, an attempt to find new forums for achieving consensus, and often an appearance of a lack of coordination.

Shastri is sensitive to these charges and occasionally goes out of his way to cite examples to the contrary. do take may own decisions," he told a recent interviewer. "However, it is true that I want to have as much consultation as possible with all shades of opinion before coming to a decision." If others views are "right," he continued, "I don't hesitate to accept them." This consultative practice takes time, but time seems to count for very little with the present group of Indian leaders.

Compromise and accommodation, the development of a

consensus, and a desire to please everyone have long been Shastri's forte, his hallmark. and indeed the traditional obligation of members of his small subcaste. He has made very few enemies in a 40-year career in politics. Indeed, his diminutive structure -- reportedly the subject of audience giggling at Indian newsreels -- complements his manner. He guipped once at a ceremonial occasion, "How can a small man like me dare to make enemies?" The essential simplicities about his life and person remain untouched by the office he holds.

The Kamaraj Caucus

Shastri leans heavily for his support on the so-called "syndicate" which party president Kamaraj put together in Nehru's final months and which brought Shastri to power. This caucus--"syndicate" suggests a more formal association than actually exists--is composed of several key figures within the party's all-powerful working committee.

In its essentials the caucus represents an alliance between southern and eastern India,
with scattered but influential
support from other areas. It
is based on a bond between two
long-time party wheel horses,
Kamaraj, the undisputed party
strong man in the south for more
than 15 years, and Atulya Ghosh,
the tough member of Parliament
who bosses Calcutta and dominates
the party in the east.

The group also includes Sanjiva Reddy, the relatively young strong man of the north-south "border" state of Andhra and a member of Shastri's cabinet, and, at somewhat greater distance, both geographically and politically, S. K. Patil, blunt-talking boss of Bombay city who is a top fund raiser for the party and Shastri's minister for railways, the nation's largest single employer.

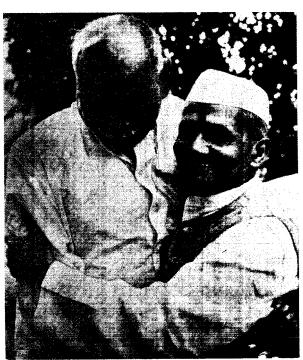
Foremost among those outside the caucus who nonetheless support both the group and Shastri is his excellent defense minister, Y. B. Chavan. He controls Maharashtra State in western India and is a rival of Patil. However, he has higher ambitions of his own and, at 51, finds it prudent to play along.

Shastri and Kamaraj

The key to the success of the caucus in staying together and in working with Shastri is the relationship between Shastri and Kamaraj. They might have engaged in continuous jockeying At the state and infighting. level, the existence of one figure at the top of the ministerial ladder and another heading up the party's organizational apparatus has brought such a result. In Shastri's home state, such infighting between ministerial and organizational wings has virtually immobilized the conduct of state business for more than two years.

On the other hand, Kamaraj might have tried to run the country through a weak Shastri in the prime ministry.

Neither development has occurred. During the early weeks of Shastri's ministry, the frequency with which their names were paired suggested a duumvirate. During Shastri's incapacitation following a heart attack only a month after assuming office, this was particularly noticeable. Present evidence, however, suggests that the two men have each carved out their own spheres, Kamaraj in the party organization and Shastri in the government and in Parliament, and that while there is some inevitable overlap and occasional strain, there is no basic conflict. Neither poses



Congress Party President Kamaraj with Shastri on the occasion of the prime minister's 60th birthday last fall.

a threat to the other; each needs the other.

Shastri runs the government under a system of collective cabinet responsibility, and cabinet decisions are noticeably more the result of free debate and consensus within the group than they ever were under Nehru. Matters of national security are handled by an Emergency Committee of the cabinet, composed of Shastri and his ministers for defense, finance, external, and home affairs. Cabinet has been noticeably free of interference by the party organization per se. Shastri has thus named new cabinet ministers and reshuffled portfolios without specific recourse to Kamaraj or other members of the inner party caucus. decision to repatriate some 500,000 Tamil-speaking Madrasis from Ceylon was reportedly taken at the cabinet level without recourse to Kamaraj or his home state of Madras, despite their interest. 30 it was also with regard to the government's sweeping roundup of more than 1,000 pro-Peiping Communists, who, six months later, remain in jail.

Within the party, Kamaraj, whose luster has dimmed only a little, reigns supreme. He rarely concerns himself with the substance of policy, except in terms of "keeping the party close to the people" and thus making possible the winning of elections. His concerns are mainly on organizational matters, touring the states, organizing for elections, both public and party, and resolving,

or at least attempting to resolve the bitter intraparty fights that are virtually endemic to the Congress Party at the state level.

A lifelong bachelor, Kamaraj has made the party his whole life. His approach -shared with Atulya Ghosh--is simple: the party counts for all; fight within it for what you believe but never against it for any reason. He never tolerated open dissidence in his own party organization in Madras, and he has shown little patience with it since he became national party president. It was for this reason that he refused to deal with dissident Congress politicians prior to the recent state elections in Kerala.

The refusal probably cost the Congress a chance to form a government in the state and put a few dents in Kamaraj's national prestige. The action made his message unmistakably clear, however, to potential dissidents in other Indian states with deeply divided cabinets.

The roles of Kamaraj and Shastri tend to overlap in top-level factional questions in the states, especially when the issues reverberate on the floor of the Parliament. In the leadership crisis which arose in Punjab, Shastri and Kamaraj worked closely to find a solution. The compromise reached—the appointment of an inoffensive but clean nonentity as chief minister—appears to be intended as no more than a holding action. So also in Orissa

State, where Shastri's Central Bureau of Investigation proved corruption charges against a Congress Party chief minister. Subsequently the agonizing removal of the minister and the problems of replacement were matters on which Kamaraj, Shastri, and a cabinet subcommittee worked together for many months, albeit with occasional signs of lack of coordination.

Shastri as Parliamentary Leader

Shastri has made no basic changes in the political composition of the cabinet which he inherited from Nehru. He has shuffled positions, and added Patil, Reddy, and Nehru's daughter, Indira Gandhi. No substantial cleavages on ideological grounds have appeared.

Shastri appears to give his ministers wide leeway in managing the affairs of their respective ministries and allows them, to a greater degree than Nehru did, to carry the ball for their portfolios unassisted on the floor of Parliament.

Apart from Defense Minister Chavan, Shastri's key ministers are: Finance Minister
T. T. Krishnamachari, a Madrasi
Brahman with excellent credentials for his job but no political base outside of Kamaraj's
pocket; Home Minister Nanda, a
left-leaning labor organizer
who has had considerable difficulties with Parliament and
with the Kamaraj caucus and is
totally dependent on Shastri;
and Foreign Minister Swaran
Singh, a long-time cabinet

SECRET INDIAN CABINET May 1965

	PORTFOLIO	INCUMBENT	AGE
	Prime Minister, and Minister of Atomic Energy	Lal Bahadur Shastri *	60
	Minister of Home Affairs	Gulzarilal Nanda *	66
	Minister of Finance	T. T. Krishnamachari	
	Minister of Information and Broadcasting	Indira Gandhi * (Nehru's daughter)	50
	Minister of External Affairs	Sardar Swaran Singh	
	Minister of Railways	S. K. Patil *	64 44 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4
	Minister of Law and Social Security	A. K. Sen	in in the second second to the second
	Minister of Defense	Y. B. Chavan*	51
	Minister of Steel and Mines	N. Sanjiva Reddy *	52
4	Minister of Food and Agriculture	C. Subramoniam	55
	Minister of Petroleum and Chemicals	Humayun Kabir	
	Minister of Communications and Parliamentary Affairs	Satya Narain Sinha	
	Minister of Industry and Supply	H. C. Dasappa	70
	Minister of Education	M. G. Chagla	64
	Minister of Labor and Employment	D. Sanjivayya*	
	Minister of Rehabilitation	Mahavir Tyagi	65
		Appointed by Shastri (S.K. Patil had been a member of Nehru's cabinet up to the fall of 1964)	
	Standards North and Standard Comment of the M	Nehru Appointee but in a new Portfolio	
		Nehru Appointee retaining previous	Portfolio

member new to foreign affairs, a lawyer, and a Sikh who works doggedly at his portfolio but who has his eyes on the chief ministership of Punjab State.

With the Parliament at large, Shastri has had few real difficulties. He has, of course, a dependable 3-to-1 majority, and those who oppose him within his own party as well as the other parties are fragmented. While not a commanding figure, his skills are considerable, and he has emerged from his year as leader of Parliament with more pluses than minuses to his credit. His toughness in dealing with the Communists, his defense of "deviation" from Nehru's policies, and his handling of the stormy debates on the subject of corruption in Orissa, as well as during the height of the recent border crisis with Pakistan have been quite notable. and not a little surprising to many observers.

Nevertheless, Shastri has tended occasionally to be embarrassed by ministerial freewheeling. He also has allowed himself to be goaded into intemperate replies to intemperate questions, such as in the parliamentary discussion of cease-fire terms in the Rann of Kutch which caused Pakistan to withdraw an early bid for talks. He has also lost touch occasionally with currents among the member ship in Parliament. He thus was not aware until relatively late of a considerable build-up in feeling and pressure among his colleagues on the recent language agitation in south India and in the case of an

abortive signature campaign against at least one of his cabinet members. He has often had a difficult time with the executive committee of the Congress parliamentary group, which flexed its muscles for the first time in 1962 when it contributed heavily to Krishna Menon's ouster from the cabinet.

Shastri the Policy Maker

By and large, Shastri has kept close to the main guidelines of policy laid down by the Congress Party under Nehru. He is far more pragmatic than Nehru, the London School socialist. Shastri certainly finds Congress policies as written and as implemented a comfortable frame of reference, and his modifications are mainly matters of emphasis; he is a tinkerer, not an innovator.

He is common-man oriented. quotes heavily from Gandhi, and is infinitely more Indian than Nehru. He has shown a strong preference for quick-yield development projects. He is making a major effort to come to grips with India's food problem even at the sacrifice of the pace of industrialization. seems intent on compiling a record of his own on which to seek a mandate in the general elections due a year and a half hence. He and Kamaraj can already take some measures of satisfaction from the party's by-election record since last While experiencing some difficulties among urban voters. the Congress Party has added two seats to its parliamentary majority and eight seats to its

majorities in the state assemblies, all from rural voters upon whom the Congress has traditionally relied.

On foreign matters, Shas-tri's policies are virtually indistinguishable from Nehru's, at least the post-1962, post - Chinese invasion Nehru. Al-though not sharing Nehru's pre-occupation with foreign affairs, he has sought quite successfully to improve India's relations with some of its neighbors-Burma, Ceylon, Nepal, and Afghanistan.

He is aware that with Nehru's death and with India's closer association with the US. its influence in Asian-African circles has progressively eroded. Presumably he is concerned that this leaves the field wide open for Pakistan, the radical governments, and the Chinese, and might in time make India's causes somewhat less attractive to Moscow. He will be looking for opportunities to recoup on such occasions as the forthcoming Afro-Asian conference in Algiers.

Toward China, Shastri's policies have remained tough and unyielding, but not militarily provocative. He has continued programs to improve India's defense posture vis-a-vis the Chinese, and new efforts have been made in both the bloc and in the West to obtain additional modern military equipment.

Relations with the United States have been friendly, despite the occasional emotional outbursts of his foreign minister and Shastri's unhappiness with some aspects of US policy in Southeast Asia. New strains have appeared, however. These have resulted from Washington's postponement of his proposed visit to the United States, his reaction in canceling out altogether, and India's unhappiness with Pakistan's use of American military aid equipment in the recent Rann of Kutch episode.

Moscow was quick to capitalize on these strains, during Shastri's recent visit to the Soviet Union. The visit had long been billed as one in which a new Soviet aid commitment would be made to India's next five-year development plan. himself, Shastri was able to recoup his pride from the blow suffered by postponement of the Washington visit, while working to ensure that Soviet support, both economic and in the form of military aid, would continue, and perhaps even increase.

The Quality of Leadership

In a sense, India in the post-Nehru period is undergoing its second Indianization since independence was achieved. The first occurred when the British sahibs left, turning over their jobs to the brown sahibs they had trained. A second so-called Indianization refers not only to the replacement of Nehru by a thoroughly home-grown product but also to the stepped-up retirement of the old brown sahibs in the Indian civil service and in the Parliament and their replacement by the Indian-trained element.

Shastri's form of leadership is not dynamic and will certainly not produce dramatic breakthroughs in the many problem areas he inherited. Lacking a large reservoir of prestige to fall back on, moreover. Shastri's position will retain for some time to come a certain element of fragility in the heat of crisis. The style of his leadership is still evolving. It is the product of the man and of the Indianizing context in which he operates and of which he is a part.

Inherited British forms will continue to be modified or abandoned. The decorum of Indian public life and of the Parliament may decline a bit more in Western eyes, and the latent pent-up violence of Indian society may become a bit more evident. But if the solid accomplishments of the British period in India, as consolidated and redefined by Nehru, are to leave any permanent imprint on twentieth century India, they

have to be Indianized during this generation while the cultural bridges still exist and before the generation which never had any contact with the British raj comes to power.

Shastri, as the product of British India, British jails, Indian poverty, and the independence movement, embodies India's mood and the mood of its ruling party in the immediate post-Nehru period. He is doing a reasonably good job of giving the country the type of leadership it seems to want and the only type of leadership its ruling party would permit at this time, only one year after Nehru. The condition which led to his choice last June -- the absence of an alternative candidate acceptable to the party as a whole -remains, and Shastri gives every indication of intending to be more than a mere caretaker prime minister. (CONFIDENTIAL)

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